

HODGEMAN COUNTY, KANSAS

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED DECEMBER 31, 2017**

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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Hodgeman County, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Hodgeman County, Kansas as of and for the year ended December 31, 2017, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by the County on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Hodgeman County, Kansas as of December 31, 2017, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of Hodgeman County, Kansas as of December 31, 2017, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, and summary of regulatory basis receipts and disbursements – agency funds, (Schedules 1, 2, and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of Hodgeman County, Kansas as of and for the year ended December 31, 2016 (not presented herein), and have issued our report thereon dated September 21, 2017, which contained an unmodified opinion on the basic financial statement. The 2016 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2016 actual column (2016 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended December 31, 2017 (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the basic financial statement. Such 2016 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statement. The 2016 comparative information was subjected to the auditing procedures applied in the audit of the 2016 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2016 basic financial statement or to the 2016 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2016 comparative information is fairly stated in all material respects in relation to the 2016 basic financial statement as a whole, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

November 9, 2018

HODGEMAN COUNTY, KANSAS

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended December 31, 2017

Fund	Beginning unencumbered cash balance (deficit)	Prior year canceled encumbrances	Receipts
General fund	\$ 695,907	\$ -	\$ 2,903,463
Special purpose funds:			
Road and bridge	319,076	-	1,158,966
Extension council	469	-	103,053
Noxious weed	127,105	-	354,796
Noxious weed capital outlay	113,390	-	-
County hospital	956	-	303,995
Ambulance	27,776	-	219,074
Special alcohol and drug	9	-	-
E911 combined	40,029	-	51,769
Rural fire district	32,749	-	111,914
Non-budgeted special purpose funds:			
Special machinery	388,272	-	-
Special highway improvements	396,125	-	120,000
Ambulance equipment	105,505	-	32,000
Prosecuting attorney trust	8,160	-	1,406
Special motor vehicle	8,038	-	23,342
Register of deeds technology	30,495	-	3,668
Municipal equipment reserve	228,241	-	18,500
Capital improvements	353,491	-	-
Clerk technology	2,939	-	917
Treasurer technology	2,939	-	917
Bioterrorism grant	(1,026)	-	10,487
Micro loan grant revolving	57,367	-	86
Rural fire equipment	72,528	-	40,000
E911 Sheriff grant	526	-	309
Law enforcement trust	255	-	-
Energy grant	1,731	-	-
Total special purpose funds	<u>2,317,145</u>	<u>-</u>	<u>2,555,199</u>
Bond and interest funds:			
Bond and interest - hospital	88,196	-	575,943
No-fund warrants	17,892	-	448
Hospital bond debt service reserve	125,758	-	3,990
Bond and interest - ambulance	-	-	15,238
No-fund warrants proceeds	-	-	1,500,000
Total bond and interest funds	<u>231,846</u>	<u>-</u>	<u>2,095,619</u>
Total reporting entity - excluding agency funds	<u>\$ 3,244,898</u>	<u>\$ -</u>	<u>\$ 7,554,281</u>
Composition of cash balance:			
Super now account			
Checking account			
Bond			
Money market account			
Micro loan account			
Cash and cash items on hand			
Certificates of deposit			
Total cash			
Agency funds			
Total reporting entity - excluding agency funds			

The notes to the financial statement are an integral part of this statement.

Statement 1

Expenditures	Ending unencumbered cash balance (deficit)	Add encumbrances and accounts payable	Ending cash balance (deficit)
\$ 2,993,692	\$ 605,678	\$ 76,370	\$ 682,048
1,189,989	288,053	19,616	307,669
102,000	1,522	-	1,522
381,833	100,068	30	100,098
1,999	111,391	-	111,391
300,000	4,951	-	4,951
178,469	68,381	1,219	69,600
-	9	-	9
35,852	55,946	1,384	57,330
106,150	38,513	1,034	39,547
109,531	278,741	-	278,741
-	516,125	-	516,125
-	137,505	-	137,505
-	9,566	-	9,566
18,994	12,386	-	12,386
122	34,041	-	34,041
80,097	166,644	394	167,038
77,820	275,671	-	275,671
1,000	2,856	-	2,856
-	3,856	-	3,856
9,896	(435)	98	(337)
-	57,453	-	57,453
59,703	52,825	4,700	57,525
16	819	-	819
-	255	-	255
-	1,731	-	1,731
2,653,471	2,218,873	28,475	2,247,348
536,682	127,457	-	127,457
6,673	11,667	-	11,667
-	129,748	-	129,748
13,820	1,418	-	1,418
1,000,000	500,000	-	500,000
1,557,175	770,290	-	770,290
\$ 7,204,338	\$ 3,594,841	\$ 104,845	\$ 3,699,686
			\$ 6,236,885
			65,140
			94,991
			435,795
			57,468
			1,409
			2,300,000
			9,191,688
			(5,492,002)
			\$ 3,699,686

HODGEMAN COUNTY, KANSAS

NOTES TO THE FINANCIAL STATEMENT

December 31, 2017

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the County's financial statement. The financial statement and notes are representations of the County's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Hodgeman County, Kansas is a municipal corporation governed by an elected five-member commission. This regulatory financial statement does not include the related municipal entities shown below. A related municipal entity is an entity established to benefit the County and/or its constituents.

Hodgeman County Hospital. The members of the governing board of the Hospital are appointed by the County Commissioners. This board is accountable to the County Commission for fiscal matters. Complete financial records for the Hospital can be obtained from their administrative offices at 809 W. Bramley St., Jetmore, Kansas 67854.

Hodgeman County Extension Council. The Council provides services in such areas as agriculture, home economics, and 4-H club, to all persons in the County. The Council has an elected board for its governing body. The County annually provides significant operating subsidies to the Council. Complete financial records for the Council may be obtained from their administrative offices at the Hodgeman County Courthouse, Jetmore, Kansas 67854.

2. Basis of Presentation – Fund Accounting

The accounts of the County are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the County for the year ended December 31, 2017:

REGULATORY BASIS FUND TYPES

General fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest funds - used to account for the accumulation of resources (including tax levies, transfers from other funds, etc.) and payment of general long-term debt.

Agency funds - used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing funds, tax collection accounts, etc.).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The County has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the County to use the regulatory basis of accounting.

4. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and bond and interest funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for agency funds, the Hospital Bond Debt Service Reserve fund, No-Fund Warrants Proceeds fund, and the following special purpose funds:

Special Machinery	Clerk Technology
Special Highway Improvements	Treasurer Technology
Ambulance Equipment	Bioterrorism Grant
Prosecuting Attorney Trust	Micro Loan Grant Revolving
Special Motor Vehicle	Rural Fire Equipment
Register of Deeds Technology	E911 Sheriff Grant
Municipal Equipment Reserve	Law Enforcement Trust
Capital Improvements	Energy Grant

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration to the Director of Accounts and Reports, Kansas Department of Administration, and legal representatives of the County.

At December 31, 2017, the Bioterrorism Grant fund had an unencumbered cash deficit of \$435, which is a violation of K.S.A. 10-1113. However, according to K.S.A. 12-1664 the County is not prohibited from financing the federal share of a local program from current funds if available.

C. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the County. The statute requires banks eligible to hold the County's funds to have a main or branch bank in the County, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The County has no other policies that would further limit interest rate risk.

C. DEPOSITS AND INVESTMENTS (CONTINUED)

K.S.A. 12-1675 limits the County's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The County has no investment policy that would further limit its investment choices.

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. State statutes require the County's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2017.

At December 31, 2017 the County's carrying amount of deposits was \$9,190,279 and the bank balance was \$9,261,787. Of the bank balance, \$500,000 was covered by federal depository insurance, and \$8,761,787 was collateralized with securities held by the pledging financial institutions agents in the County's name.

D. DEFINED BENEFIT PENSION PLAN

Plan Description. The County participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report, which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100; Topeka, KS 66603), or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by the County and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium from the period of January 1, 2017 through September 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017. Contributions to the pension plan from the County were \$129,990 for the year ended December 31, 2017.

D. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Net Pension Liability. At December 31, 2017, the County's proportionate share of the collective net pension liability reported by KPERS was \$1,217,905. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The County's proportion of the net pension liability was based on the ratio of the County's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement. The complete actuarial report including all actuarial assumptions and methods, and the report on the allocation of the KPERS net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

E. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post Employment Benefits. As provided by K.S.A. 12-5040, the County allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the County is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Vacation Leave. The County's policies regarding vacation permits non-elected employees with one year of employment to earn ten days of vacation. Employees with greater than ten years of employment earn fifteen days of vacation per year. All employees are allowed to carry over vacation one year past their anniversary date for a maximum accumulation of twenty days for employees with ten years of service or less and thirty days for employees with more than ten years of service. Upon termination or resignation from service with the County, employees are entitled to payment for all accumulated vacation earned prior to termination or resignation, provided two weeks notice is given.

Sick Leave. All non-elected employees on permanent status earn sick leave at the rate of one calendar day per month of service with a maximum accumulation of ninety days. Part-time employees do not earn sick leave. No allowance for unused sick leave is paid upon termination, resignation, or retirement.

Section 125 Cafeteria Plan/Health Insurance. The County offers a Section 125 cafeteria plan for all employees electing to participate. Participants use this for health insurance premiums, other medical costs, and dependent care costs. The plan is administered by an independent company.

Section 457 Deferred Compensation Plan. The County offers employees a deferred compensation plan created in accordance with Internal Revenue Service Code Section 457.

F. LONG-TERM DEBT

Changes in long-term liabilities for the County for the year ended December 31, 2017, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
Hospital bonds – Series 2013					
Issued June 4, 2013					
In the amount of \$4,205,000					
At interest rates of 2.00% to 3.00%					
Maturing September 1, 2027					
	\$ 3,425,000	\$ -	\$ 460,000	\$ 2,965,000	\$ 76,563
Ambulance bonds – Series 2016					
Issued September 2, 2016					
In the amount of \$119,400					
At interest rate of 2.75%					
Maturing September 2, 2026					
	<u>119,400</u>	<u>-</u>	<u>10,536</u>	<u>108,864</u>	<u>3,284</u>
	<u>3,544,400</u>	<u>-</u>	<u>470,536</u>	<u>3,073,864</u>	<u>79,847</u>
No-fund warrants:					
Bank of Hays:					
Issued November 16, 2017					
In the amount of \$1,500,000					
At interest rates of 3.49%					
Maturing August 1, 2023					
	<u>-</u>	<u>1,500,000</u>	<u>-</u>	<u>1,500,000</u>	<u>-</u>
Capital leases:					
Energy Conservation Improvements					
Issued June 30, 2011					
In the amount of \$100,000					
At interest rates of 5.19%					
Maturing September 1, 2018					
	28,722	-	17,563	11,159	1,112
Ford F550 Fire Truck					
Issued November 21, 2012					
In the amount of \$107,500					
At interest rates of 3.25%					
Maturing September 30, 2017					
	22,794	-	22,794	-	743
Caterpillar Motor Grader					
Issued July 8, 2013					
In the amount of \$456,729					
At interest rates of 2.65%					
Maturing July 8, 2018					
	106,949	-	106,949	-	3,515
New Holland T6-165 Tractor					
Issued April 2, 2015					
In the amount of \$58,100					
At interest rate of 3.35%					
Maturing April 2, 2018					
	39,368	-	19,360	20,008	1,319
Caterpillar 430 FIT Backhoe					
Issued February 17, 2015					
In the amount of \$113,022					
At interest rate of 3.20%					
Maturing February 17, 2020					
	97,447	-	16,074	81,373	3,118
Case 2016 Tractor					
Issued April 4, 2017					
In the amount of \$38,400					
At interest rate of 3.00%					
Maturing April 4, 2020					
	<u>-</u>	<u>38,400</u>	<u>-</u>	<u>38,400</u>	<u>-</u>
	<u>295,280</u>	<u>38,400</u>	<u>182,740</u>	<u>150,940</u>	<u>9,807</u>
Totals	<u>\$ 3,839,680</u>	<u>\$ 1,538,400</u>	<u>\$ 653,276</u>	<u>\$ 4,724,804</u>	<u>\$ 89,654</u>

F. LONG-TERM DEBT (CONTINUED)

Current maturities of general obligation bonds and interest for the next five years and in five year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2018	\$ 485,826	\$ 70,356	\$ 556,182
2019	271,123	60,559	331,682
2020	286,423	55,059	341,482
2021	291,743	49,239	340,982
2022	302,066	43,316	345,382
2023-2027	<u>1,436,683</u>	<u>107,430</u>	<u>1,544,113</u>
Total	<u>\$ 3,073,864</u>	<u>\$ 385,959</u>	<u>\$ 3,459,823</u>

Current maturities of no-fund warrants and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2018	\$ -	\$ -	\$ -
2019	300,000	89,431	389,431
2020	300,000	41,880	341,880
2021	300,000	31,410	331,410
2022	300,000	20,940	320,940
2023	<u>300,000</u>	<u>10,470</u>	<u>310,470</u>
Total	<u>\$ 1,500,000</u>	<u>\$ 194,131</u>	<u>\$ 1,694,131</u>

Current maturities of capital leases and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2018	\$ 60,179	\$ 4,701	\$ 64,880
2019	29,915	2,852	32,767
2020	<u>60,846</u>	<u>1,921</u>	<u>62,767</u>
Total	<u>\$ 150,940</u>	<u>\$ 9,474</u>	<u>\$ 160,414</u>

G. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory authority</u>	<u>Amount</u>
General	Municipal equipment reserve	K.S.A. 19-119	\$ 18,500
Ambulance	Ambulance equipment	K.S.A. 12-110d	30,000
Special motor vehicle	General	K.S.A. 8-145	8,038
Rural fire	Rural fire equipment	K.S.A. 19-3612c	<u>40,000</u>
			<u>\$ 96,538</u>

H. CONDUIT DEBT OBLIGATIONS

The County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities of the County.

As of December 31, 2017, there was one series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$175,000.

I. MEDICAL SELF INSURANCE

Hodgeman County maintains a self-insurance program that is handled by an outside administrator who determines claims to be paid by the County. A stop loss insurance policy is purchased by the County to cover claims above \$20,000 per employee. Changes in claims liability for the past two years have been as follows:

	<u>Beginning of year liability</u>	<u>Claims and changes in estimates</u>	<u>Stop loss reimbursement</u>	<u>Claim payments</u>	<u>End of year liability</u>
2016	\$ 149,462	\$ 698,321	\$ 258,435	\$ 486,105	\$103,243
2017	103,243	929,236	284,371	748,108	-

J. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and medical needs of employees. The County participates in public entity risk pools to cover property, liability and worker's compensation claims. There have been no significant reductions in coverage from the prior year. Settled claims from these risks have not exceeded insurance coverage in the past three years.

K. PUBLIC ENTITY RISK POOLS

The County is a member of the Kansas Workers Risk Cooperative for Counties (KWORCC), a group-funded pool for workers compensation coverage which was formed through the Kansas Municipal Group-Funded Pool Act, K.S.A. 12-2616, et seq. This is a public entity risk pool which operates as a common risk management and insurance program for member counties. The County pays an annual contribution to the Cooperative as determined by the Board of Trustees based upon experience modification factors, payroll audits and any other bases the Board considers appropriate. It is not possible to estimate the maximum contributions which could be required. KWORCC covers claims up to \$750,000 each and aggregate excess reinsurance provides aggregate coverage up to \$1,000,000. Except for required contributions, no member can be held responsible for any claims made against any other member.

K. PUBLIC ENTITY RISK POOLS (CONTINUED)

The County is a member of the Kansas County Association Multi-Line Pool (KCAMP), a group-funded pool for property, liability, crime and surety coverage which was formed through the Kansas Municipal Group-Funded Pool Act, K.S.A. 12-2616, et seq. This is a public entity risk pool which operates as a common risk management and insurance program for member counties. The County pays an annual contribution to the Pool as determined by the Board of Trustees. It is not possible to estimate the maximum contributions which could be required. KCAMP covers property loss up to the scheduled amount of values on file which is \$16,970,944, \$500,000 for liability and \$1,000,000 for crime. Excess reinsurance provides aggregate coverage up to \$3,000,000 for liability. Except for required contributions, no member can be held responsible for any claims made against any other member.

L. CLOSURE AND POST-CLOSURE CARE COST

State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste.

The estimated closure cost is \$599,183 and the estimated post-closure cost is \$510,297. These figures comprise the estimated closure and post-closure cost of \$1,109,480 and are obtained from the 2018 Annual Cost Estimate Worksheets for Permit Renewals during July 1, 2018 to June 30, 2019. The permit for 2018 identifies that the remaining volume capacity of the site is 68.51% of the original capacity and that the remaining life of the landfill is estimated to be 113 years. Actual costs may be higher or lower due to inflation or deflation and changes in technology or applicable laws and regulations.

The County is meeting the financial assurance requirements through the Local Government Financial Test. This test involves four components: financial, public notice, recordkeeping and reporting, and calculation of costs to be assured. The County has satisfied all four requirements.

M. CONTINGENCIES

The County receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of County management, such disallowances, if any, would be insignificant.

N. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 9, 2018, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events that are required to be recognized or disclosed in the financial statement.

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

HODGEMAN COUNTY, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2017

Fund	Certified budget	Adjustments for qualifying budget credits	Total budget for comparison	Expenditures chargeable to current year	Variance favorable (unfavorable)
General fund	\$ 3,149,873	\$ 39,011	\$ 3,188,884	\$ 2,993,692	\$ 195,192
Special purpose funds:					
Road and bridge	1,218,512	-	1,218,512	1,189,989	28,523
Extension council	102,000	-	102,000	102,000	-
Noxious weed	423,825	-	423,825	381,833	41,992
Noxious weed capital outlay	113,390	-	113,390	1,999	111,391
County hospital	300,000	-	300,000	300,000	-
Ambulance	210,000	-	210,000	178,469	31,531
E911 combined	137,947	-	137,947	35,852	102,095
Rural fire district	115,814	-	115,814	106,150	9,664
Bond and interest fund:					
Bond and interest - hospital	540,000	-	540,000	536,682	3,318
Bond and interest - ambulance	15,000	-	15,000	13,820	1,180
Total	<u>\$ 6,326,361</u>	<u>\$ 39,011</u>	<u>\$ 6,365,372</u>	<u>\$ 5,840,486</u>	<u>\$ 524,886</u>

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016	2017		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ 2,411,704	\$ 2,306,835	\$ 2,275,543	\$ 31,292
Delinquent tax	24,508	25,331	10,000	15,331
Motor vehicle tax	127,942	146,197	158,103	(11,906)
Recreational vehicle tax	2,078	2,196	1,942	254
16/20M truck tax	17,840	17,067	18,235	(1,168)
Mineral production tax	18,891	18,055	30,000	(11,945)
Health grants	42,441	38,532	20,000	18,532
Licenses, permits and fees	58,263	76,599	62,500	14,099
Fines, forfeitures and penalties	12,049	16,292	10,000	6,292
Charges for services	170,829	170,297	183,500	(13,203)
Interest	13,464	24,166	5,000	19,166
Federal aid	3,367	39,011	-	39,011
Other	12,397	14,847	5,000	9,847
Operating transfers	243,443	8,038	15,000	(6,962)
Total receipts	3,159,216	2,903,463	\$ 2,794,823	\$ 108,640
Expenditures:				
County Commissioners	78,764	90,842	\$ 95,000	\$ 4,158
County Clerk	61,330	63,625	64,445	820
County Treasurer	68,499	72,198	80,600	8,402
County Attorney	50,947	52,659	52,000	(659)
Register of Deeds	57,386	58,549	58,560	11
District Court	48,994	32,818	38,021	5,203
Law enforcement	417,330	489,377	431,830	(57,547)
Health department	177,256	177,005	187,767	10,762
Solid waste	107,692	98,961	167,760	68,799
Courthouse general	127,196	129,570	220,690	91,120
Park and pool	41,416	38,126	35,000	(3,126)
Election	23,199	14,164	30,095	15,931
Appraiser cost	126,642	129,061	134,285	5,224
Judgments and tort liability	75,831	80,757	90,000	9,243
Employee benefits	1,034,433	1,296,772	1,310,000	13,228
Emergency management	6,945	16,896	20,500	3,604
Other	23,083	20,492	-	(20,492)

HODGEMAN COUNTY, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016	2017		Variance favorable (unfavorable)
		Actual	Budget	
Appropriations:				
Fair building	\$ 14,458	\$ 14,458	\$ 14,458	\$ -
Soil Conservation	24,000	24,000	24,000	-
Elderly services	20,462	20,462	20,462	-
Historical Society	4,500	1,500	3,000	1,500
Community Mental Health	22,400	22,400	22,400	-
Economic development	31,300	30,500	30,500	-
Operating transfers	250,000	18,500	18,500	-
Budget credit	-	-	39,011	39,011
Total expenditures	<u>2,894,063</u>	<u>2,993,692</u>	<u>\$ 3,188,884</u>	<u>\$ 195,192</u>
Receipts over (under) expenditures	265,153	(90,229)		
Unencumbered cash, beginning of year	<u>430,754</u>	<u>695,907</u>	<u>\$ 355,050</u>	<u>\$ 340,857</u>
Unencumbered cash, end of year	<u>\$ 695,907</u>	<u>\$ 605,678</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**ROAD AND BRIDGE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ 753,544	\$ 848,620	\$ 837,096	\$ 11,524
Delinquent tax	9,689	7,669	7,500	169
Motor vehicle tax	47,617	45,680	49,400	(3,720)
Recreational vehicle tax	773	686	607	79
16/20M truck tax	7,720	6,352	5,697	655
Gasoline tax	226,801	226,336	226,240	96
Federal aid	60,274	-	-	-
Other	23,755	23,623	30,000	(6,377)
Total receipts	1,130,173	1,158,966	<u>\$ 1,156,540</u>	<u>\$ 2,426</u>
Expenditures:				
Highways and streets	1,014,158	1,189,989	<u>\$ 1,218,512</u>	<u>\$ 28,523</u>
Receipts over (under) expenditures	116,015	(31,023)		
Unencumbered cash, beginning of year	203,061	319,076	<u>\$ 61,972</u>	<u>\$ 257,104</u>
Unencumbered cash, end of year	<u>\$ 319,076</u>	<u>\$ 288,053</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**EXTENSION COUNCIL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ 94,480	\$ 95,836	\$ 94,517	\$ 1,319
Delinquent tax	882	826	500	326
Motor vehicle tax	4,334	5,727	6,193	(466)
Recreational vehicle tax	71	86	76	10
16/20M truck tax	702	578	714	(136)
Total receipts	100,469	103,053	<u>\$ 102,000</u>	<u>\$ 1,053</u>
Expenditures:				
Appropriation	100,000	102,000	<u>\$ 102,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	469	1,053		
Unencumbered cash, beginning of year	-	469	<u>\$ -</u>	<u>\$ 469</u>
Unencumbered cash, end of year	<u>\$ 469</u>	<u>\$ 1,522</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS

NOXIOUS WEED FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016	2017		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ 163,835	\$ 158,113	\$ 155,950	\$ 2,163
Delinquent tax	1,870	1,518	500	1,018
Motor vehicle tax	9,212	9,913	10,718	(805)
Recreational vehicle tax	150	149	132	17
16/20M truck tax	1,492	1,229	1,236	(7)
Chemical sales	208,689	183,874	200,000	(16,126)
Total receipts	385,248	354,796	\$ 368,536	\$ (13,740)
Expenditures:				
Highways and streets	360,704	381,833	\$ 423,825	\$ 41,992
Receipts over (under) expenditures	24,544	(27,037)		
Unencumbered cash, beginning of year	102,561	127,105	\$ 55,289	\$ 71,816
Unencumbered cash, end of year	\$ 127,105	\$ 100,068		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS

NOXIOUS WEED CAPITAL OUTLAY FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts	\$ -	\$ -	\$ -	\$ -
Expenditures:				
Highways and streets	-	1,999	\$ 113,390	\$ 111,391
Receipts over (under) expenditures	-	(1,999)		
Unencumbered cash, beginning of year	<u>113,390</u>	<u>113,390</u>	<u>\$ 113,390</u>	<u>\$ -</u>
Unencumbered cash, end of year	<u>\$ 113,390</u>	<u>\$ 111,391</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**COUNTY HOSPITAL FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ 282,030	\$ 282,509	\$ 278,653	\$ 3,856
Delinquent tax	2,585	2,457	500	1,957
Motor vehicle tax	12,559	17,097	18,488	(1,391)
Recreational vehicle tax	204	257	227	30
16/20M truck tax	2,074	1,675	2,132	(457)
Total receipts	299,452	303,995	<u>\$ 300,000</u>	<u>\$ 3,995</u>
Expenditures:				
Appropriation	300,000	300,000	<u>\$ 300,000</u>	<u>\$ -</u>
Receipts over (under) expenditures	(548)	3,995		
Unencumbered cash, beginning of year	<u>1,504</u>	<u>956</u>	<u>\$ -</u>	<u>\$ 956</u>
Unencumbered cash, end of year	<u>\$ 956</u>	<u>\$ 4,951</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**AMBULANCE FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ 106,210	\$ 138,539	\$ 136,660	\$ 1,879
Delinquent tax	1,190	883	500	383
Motor vehicle tax	6,611	6,439	6,961	(522)
Recreational vehicle tax	107	97	85	12
16/20M truck tax	738	882	803	79
Charges for services	32,476	71,929	50,000	21,929
Other	720	305	-	305
Total receipts	<u>148,052</u>	<u>219,074</u>	<u>\$ 195,009</u>	<u>\$ 24,065</u>
Expenditures:				
Health and welfare	136,832	148,469	\$ 180,000	\$ 31,531
Operating transfer	20,000	30,000	30,000	-
Total expenditures	<u>156,832</u>	<u>178,469</u>	<u>\$ 210,000</u>	<u>\$ 31,531</u>
Receipts over (under) expenditures	(8,780)	40,605		
Unencumbered cash, beginning of year	<u>36,556</u>	<u>27,776</u>	<u>\$ 14,991</u>	<u>\$ 12,785</u>
Unencumbered cash, end of year	<u>\$ 27,776</u>	<u>\$ 68,381</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**SPECIAL ALCOHOL AND DRUG FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 9	\$ -	\$ -	\$ -
Expenditures:				
Health and welfare	-	-	\$ -	\$ -
Receipts over (under) expenditures	9	-		
Unencumbered cash, beginning of year	-	9	\$ -	\$ 9
Unencumbered cash, end of year	<u>\$ 9</u>	<u>\$ 9</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**E911 COMBINED FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>		<u>Variance favorable (unfavorable)</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts:				
State aid	\$ 49,965	\$ 51,769	<u>\$ 50,000</u>	<u>\$ 1,769</u>
Expenditures:				
Public safety	<u>131,115</u>	<u>35,852</u>	<u>\$ 137,947</u>	<u>\$ 102,095</u>
Receipts over (under) expenditures	(81,150)	15,917		
Unencumbered cash, beginning of year	<u>121,179</u>	<u>40,029</u>	<u>\$ 87,947</u>	<u>\$ (47,918)</u>
Unencumbered cash, end of year	<u>\$ 40,029</u>	<u>\$ 55,946</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**RURAL FIRE DISTRICT FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016	2017		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ 105,367	\$ 106,327	\$ 101,732	\$ 4,595
Delinquent tax	790	725	750	(25)
Motor vehicle tax	2,744	4,018	4,344	(326)
Recreational vehicle tax	42	48	49	(1)
16/20M truck tax	682	596	647	(51)
Other	3,472	200	40	160
Total receipts	<u>113,097</u>	<u>111,914</u>	<u>\$ 107,562</u>	<u>\$ 4,352</u>
Expenditures:				
Public safety	56,497	66,150	\$ 75,814	\$ 9,664
Operating transfers	<u>34,280</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total expenditures	<u>90,777</u>	<u>106,150</u>	<u>\$ 115,814</u>	<u>\$ 9,664</u>
Receipts over (under) expenditures	22,320	5,764		
Unencumbered cash, beginning of year	<u>10,429</u>	<u>32,749</u>	<u>\$ 8,252</u>	<u>\$ 24,497</u>
Unencumbered cash, end of year	<u>\$ 32,749</u>	<u>\$ 38,513</u>		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2017

	<u>Special Machinery</u>	<u>Special Highway Improvements</u>	<u>Ambulance Equipment</u>	<u>Prosecuting Attorney Trust</u>
Receipts:				
Federal aid	\$ -	\$ -	\$ -	\$ -
State aid	-	120,000	-	-
Fees	-	-	-	1,406
Interest	-	-	-	-
Other	-	-	2,000	-
Operating transfers	-	-	30,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total receipts	-	120,000	32,000	1,406
	<hr/>	<hr/>	<hr/>	<hr/>
Expenditures:				
General government	-	-	-	-
Public safety	-	-	-	-
Highways and streets	109,531	-	-	-
Health and welfare	-	-	-	-
Operating transfers	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	109,531	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Receipts over (under) expenditures	(109,531)	120,000	32,000	1,406
Unencumbered cash (deficit), beginning of year	<u>388,272</u>	<u>396,125</u>	<u>105,505</u>	<u>8,160</u>
Unencumbered cash (deficit), end of year	<u>\$ 278,741</u>	<u>\$ 516,125</u>	<u>\$ 137,505</u>	<u>\$ 9,566</u>

See Independent Auditor's Report.

<u>Special Motor Vehicle</u>	<u>Register of Deeds Technology</u>	<u>Municipal Equipment Reserve</u>	<u>Capital Improve- ments</u>	<u>Clerk Technology</u>
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
23,342	3,668	-	-	917
-	-	-	-	-
-	-	-	-	-
-	-	18,500	-	-
<u>23,342</u>	<u>3,668</u>	<u>18,500</u>	<u>-</u>	<u>917</u>
10,956	122	80,097	77,820	1,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
8,038	-	-	-	-
<u>18,994</u>	<u>122</u>	<u>80,097</u>	<u>77,820</u>	<u>1,000</u>
4,348	3,546	(61,597)	(77,820)	(83)
8,038	30,495	228,241	353,491	2,939
<u>\$ 12,386</u>	<u>\$ 34,041</u>	<u>\$ 166,644</u>	<u>\$ 275,671</u>	<u>\$ 2,856</u>

HODGEMAN COUNTY, KANSAS

NON-BUDGETED SPECIAL PURPOSE FUNDS

SCHEDULE OF RECEIPTS AND EXPENDITURES REGULATORY BASIS

For the Year Ended December 31, 2017

	Treasurer Technology	Bioterrorism Grant	Micro Loan Grant Revolving	Rural Fire Equipment
Receipts:				
Federal aid	\$ -	\$ 10,487	\$ -	\$ -
State aid	-	-	-	-
Fees	917	-	-	-
Interest	-	-	-	-
Other	-	-	86	-
Operating transfers	-	-	-	40,000
	917	10,487	86	40,000
Expenditures:				
General government	-	-	-	-
Public safety	-	-	-	59,703
Highways and streets	-	-	-	-
Health and welfare	-	9,896	-	-
Operating transfers	-	-	-	-
	-	9,896	-	59,703
Receipts over (under) expenditures	917	591	86	(19,703)
Unencumbered cash (deficit), beginning of year	2,939	(1,026)	57,367	72,528
Unencumbered cash (deficit), end of year	\$ 3,856	\$ (435)	\$ 57,453	\$ 52,825

See Independent Auditor's Report.

<u>E911 Sheriff Grant</u>	<u>Law Enforcement Trust</u>	<u>Energy Grant</u>	<u>Total</u>
\$ -	\$ -	\$ -	\$ 10,487
-	-	-	120,000
-	-	-	30,250
309	-	-	309
-	-	-	2,086
-	-	-	88,500
<u>309</u>	<u>-</u>	<u>-</u>	<u>251,632</u>
-	-	-	169,995
16	-	-	59,719
-	-	-	109,531
-	-	-	9,896
-	-	-	8,038
<u>16</u>	<u>-</u>	<u>-</u>	<u>357,179</u>
293	-	-	(105,547)
<u>526</u>	<u>255</u>	<u>1,731</u>	<u>1,655,586</u>
<u>\$ 819</u>	<u>\$ 255</u>	<u>\$ 1,731</u>	<u>\$ 1,550,039</u>

HODGEMAN COUNTY, KANSAS**BOND AND INTEREST FUND - HOSPITAL****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016	2017		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ 407,869	\$ 360,138	\$ 355,244	\$ 4,894
Delinquent tax	1,613	2,581	1,000	1,581
Motor vehicle tax	7,880	24,725	26,739	(2,014)
Recreational vehicle tax	128	371	328	43
16/20M truck tax	1,465	1,190	3,084	(1,894)
Sales tax	175,219	186,938	135,000	51,938
Total receipts	<u>594,174</u>	<u>575,943</u>	<u>\$ 521,395</u>	<u>\$ 54,548</u>
Expenditures:				
Debt service:				
Principal	439,995	460,000	\$ 460,000	\$ -
Interest and commission	<u>88,700</u>	<u>76,682</u>	<u>80,000</u>	<u>3,318</u>
Total expenditures	<u>528,695</u>	<u>536,682</u>	<u>\$ 540,000</u>	<u>\$ 3,318</u>
Receipts over (under) expenditures	65,479	39,261		
Unencumbered cash, beginning of year	<u>22,717</u>	<u>88,196</u>	<u>\$ 43,605</u>	<u>\$ 44,591</u>
Unencumbered cash, end of year	<u>\$ 88,196</u>	<u>\$ 127,457</u>	<u>\$ 25,000</u>	<u>\$ 102,457</u>

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**NO-FUND WARRANTS FUND****SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>
Receipts:		
Taxes and shared revenue:		
Delinquent tax	\$ 423	\$ 448
16/20M truck tax	700	-
	<u>1,123</u>	<u>448</u>
Total receipts		
Expenditures		
Debt service:		
Costs of issuance	-	6,673
	<u>-</u>	<u>6,673</u>
Receipts over (under) expenditures	1,123	(6,225)
Unencumbered cash, beginning of year	<u>16,769</u>	<u>17,892</u>
Unencumbered cash, end of year	<u>\$ 17,892</u>	<u>\$ 11,667</u>

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS

HOSPITAL BOND DEBT SERVICE RESERVE

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>
Receipts:		
Interest	\$ 3,990	\$ 3,990
Expenditures	<u>-</u>	<u>-</u>
Receipts over (under) expenditures	3,990	3,990
Unencumbered cash, beginning of year	<u>121,768</u>	<u>125,758</u>
Unencumbered cash, end of year	<u><u>\$ 125,758</u></u>	<u><u>\$ 129,748</u></u>

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS**BOND AND INTEREST FUND - AMBULANCE****SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	2016	2017		Variance favorable (unfavorable)
		Actual	Budget	
Receipts:				
Taxes and shared revenue:				
Ad valorem property tax	\$ -	\$ 15,238	\$ 15,000	\$ 238
Expenditures:				
Debt service:				
Principal	-	10,536	\$ 10,119	\$ (417)
Interest and commission	-	3,284	4,881	1,597
Total expenditures	-	13,820	\$ 15,000	\$ 1,180
Receipts over (under) expenditures	-	1,418		
Unencumbered cash, beginning of year	-	-	\$ -	\$ -
Unencumbered cash, end of year	\$ -	\$ 1,418		

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS

NO-FUND WARRANTS PROCEEDS FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS

For the Year Ended December 31, 2017
(With Comparative Actual Totals for the Prior Year Ended December 31, 2016)

	<u>2016</u>	<u>2017</u>
Receipts:		
No-fund warrant proceeds	\$ -	\$ 1,500,000
Expenditures:		
Appropriation to hospital	<u>-</u>	<u>1,000,000</u>
Receipts over (under) expenditures	-	500,000
Unencumbered cash, beginning of year	<u>-</u>	<u>-</u>
Unencumbered cash, end of year	<u><u>\$ -</u></u>	<u><u>\$ 500,000</u></u>

See Independent Auditor's Report.

HODGEMAN COUNTY, KANSAS

AGENCY FUNDS

SUMMARY OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended December 31, 2017

Fund	Beginning cash balance	Receipts	Disbursements	Ending cash balance
County Clerk	\$ 1,209	\$ 2,227	\$ 2,227	\$ 1,209
Register of Deeds	-	37,681	37,661	20
District Court	11,918	838,572	846,190	4,300
Sheriff	9,560	14,924	18,356	6,128
Tax collection accounts	4,710,041	7,682,613	7,573,041	4,819,613
Local taxing districts	-	2,865,663	2,865,663	-
Cafeteria plan	-	1,884	1,884	-
Fish and game licenses and hatchery fees	-	1,931	1,931	-
Heritage trust	115	1,834	-	1,949
Motor vehicle fees and sales tax collections	8,256	346,982	347,119	8,119
Law library	50,880	8,857	5,044	54,693
Oil & gas depletion trust	600,971	-	5,000	595,971
Total agency funds	<u>\$ 5,392,950</u>	<u>\$ 11,803,168</u>	<u>\$ 11,704,116</u>	<u>\$ 5,492,002</u>

See Independent Auditor's Report.